

Message Text

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PAGE 01 TEHRAN 05238 141025Z
ACTION NEA-10

INFO OCT-01 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01
CIAE-00 EPG-02 DODE-00 EB-07 FPC-01 H-01 INR-07
INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06
OES-07 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 /100 W
-----141028Z 060852 /21

R 140926Z JUN 77
FM AMEMBASSY TEHRAN
TO SECSTATE WASHDC 3048
INFO USDOC WASHDC

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E.O.11652: N/A
TAGS: ECRE, BENC, IR
SUBJ: MAJOR PROJECT: NISC STEEL MILL

1. NATIONAL IRANIAN STEEL CORPORATION (NISC) IS PROCEEDING WITH PLANS FOR THE CONSTRUCTION OF A 1.2 MILLION TON CAPACITY INTEGRATED PLANT FOR THE PRODUCTION OF STEEL BARS AND RODS AT ISFAHAN. TOTAL INVESTMENT IS ESTIMATED AT \$1.5 BILLION. BRITISH STEEL CORPORATION HAS BEEN APPOINTED AS GENERAL CONSULTANTS ON THE PROJECT BUT THE EQUIPMENT WILL BE BID INTERNATIONALLY, BY PREQUALIFIED BIDDERS.

2. WE ARE INFORMED THAT DISCUSSIONS LEADING TO PREQUALIFICATION OF INTERNATIONAL EQUIPMENT SUPPLIERS ARE IN AN ADVANCED STAGE WITH ABOUT TEN COMPANIES. MITSUBISHI, SWINDELL-DRESSLER (U.S.) AND ANOTHER UNIDENTIFIED U.S. FIRM ARE REPORTEDLY AMONG THE TEN WHICH ARE SEEKING TO BE PREQUALIFIED TO BID ON AN EQUIPMENT PACKAGE EXPECTED TO COST \$500-\$600 MILLION. ACCORDING TO EMBASSY SOURCE (NON-U.S.), NISC HAS INFORMED POTENTIAL SUPPLIERS THAT EQUIPMENT WILL BE PAID FOR WITH OIL. EMBASSY SOURCE IS CONVINCED NISC IS SERIOUS ABOUT BARTER ARRANGEMENT AND THAT A DEAL CAN AND WILL BE WORKED OUT.

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3. EMBASSY HAS NOT SEEN ANY OTHER EVIDENCE RECENTLY WHICH CAUSES US TO BE VERY OPTIMISTIC IN REGARD TO LIKELIHOOD OF SIGNIFICANT NEW BARTER DEALS. HOWEVER, IF WIDESPREAD REPORTS AND RUMORS REGARDING IMMINENT RESOLUTION OF TWO-TIER OIL PRICE STRUCTURE ARE ACCURATE, THEN ONE OF THE MAJOR IMPEDIMENTS TO NEGOTIATION OF BARTER DEALS WILL HAVE BEEN ELIMINATED.
SULLIVAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONSTRUCTION, STEEL PLANTS, ROLLING MILLS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TEHRAN05238
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Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770211-0930
Format: TEL
From: TEHRAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770657/aaaabxvd.tel
Line Count: 62
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: dd6e147d-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2151268
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: NISC STEEL MILL
TAGS: ECRE, BENC, IR
To: STATE
Type: TE
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